



ARIZONA CORPORATION COMMISSION

FOR IMMEDIATE RELEASE: March 1, 2011

CONTACT: Nancy LaPlaca (480) 352-9604
Policy Advisor to Commissioner Newman

Arizona Corporation Commissioner Paul Newman Introduces Amendment to Require Mines to Pay Their Fair Share of Clean Energy - Amendment Fails by 4-1 Vote

Arizona Corporation Commissioner Paul Newman introduced an amendment today to ask the Morenci mine – owned by global giant Freeport McMoRan – to pay its fair share of Renewable Energy Standard and Tariff (REST) fees.

“The Morenci mine uses staggering amounts of electricity,” said Newman. “According to Commission staff, if the mine paid its fair share based on electricity usage, it would pay over \$26 million/year. Instead, the mine will pay less than \$200,000/year – less than 1%.”

Newman noted that the mines have been obtaining waivers from the REST for four years, and that Freeport McMoRan profits are up 30%.

“There are over 1 million Arizonans on food stamps, and the mines want another break. Is it fair to residential ratepayers who are paying \$4.00/month for the REST that the mines pay less than one year of lawyers’ fees? Clearly it’s not fair.”

Newman also noted that this is a matter of corporate responsibility. “The mines add greatly to Arizona’s economy, and I appreciate that – but the minerals they take out of the ground are nearly free, and profits are up enormously. I’m simply asking the mines to be good corporate citizens.”

Newman has been on the Commission for two years, and he was shocked to learn what a small amount most mines are paying into the RES. Newman says that he is “not going to back down on this issue,” and that this inequity would not be supported by the average residential ratepayer or renter. This is about fairness.”

###